

Van Buren Township DDA
Executive Director Susan Ireland
46425 Tyler Road
Van Buren Township, MI 48111



September 24, 2014

House Standing Committee on Commerce
Committee Chair Representative Foster
State Capitol
PO Box 30014
Lansing, MI 48909-7514

Dear Chairperson Foster and Members of the House Standing Committee on Commerce:

I wish to submit the following testimony regarding HB5856. As the Executive Director for Van Buren Township Downtown Development Authority (DDA), I appreciate the opportunity to provide both support for HB5856 in its present form as well as some input and insight before a vote is considered by the full House.

The Michigan Downtown Association has worked productively with Representative Kowall regarding this Bill. Some of the initial reform proposals from this past year would have been catastrophic to DDAs and their successful efforts to support placemaking in Michigan. These detrimental concepts included: resetting base years, gain-sharing, elimination of the ability to conduct downtown management activities, and optional opt-outs. These detrimental concepts are not in this current proposal, which is why I am supportive of this Bill in theory, though not completely.

Input and insight I wish to have considered in another DRAFT include:

1. Page 19, Items I and J: Paragraph I says that authorities are "intended to revitalize and develop downtown areas..." Paragraph J essentially redefines downtowns as "multi-functional geographically contiguous spaces where residents can shop, dine, live, worship, access government, and be entertained, and that are compact and walkable and serve as a defining characteristic for the community's overall sense of place." This definition appears to severely limit existing DDAs and downtowns that may not currently meet all those criteria. Van Buren Township's DDA is one of them; its "downtown" is comprised of approximately two and a half miles. The DDA understands that a downtown district is not simply defined by zoning codes and lot lines, but rather the true sense of community that an area exudes.

Our downtown entices Van Buren residents and surrounding neighborhoods with a unique variety of gathering places where people enjoy each other's company, dining, history, entertainment and more. The DDA has made great strides and continues to work to develop a walkable downtown; however, in HB5856's present form, if all parts of a downtown are not currently "compact and walkable", Item J appears to prevent the DDA from continuing to invest in these public improvements to retrofit and to transform it into such a place, correct? These paragraphs in particular are contrary to Governor Snyder's Placemaking Initiative. The power of a DDA is vital to placemaking efforts in communities throughout Michigan.

2. Page 34, Section 31 Items 1, 2, 3: Regarding non-compliance and the Michigan Tax Commission, the present draft does not include provisions for review and/or an appeal process for DDAs, which does not allow for due process.
3. There is no provision for grandfathering or phasing-in of HB5856 requirements. Would all TIF plans have to be updated immediately? What about on-going, non-capital projects that the community relies upon? Where will the financial resources come from to fill those needs?
4. The proposed reporting requirements are overly onerous. Most DDAs have only part-time staff, and the impacts of TIF expenditures are difficult to judge. Undoubtedly, additional staff time will be required at additional cost to the DDA, which will ultimately and significantly diminish productive projects being completed that encourage economic growth.

I sincerely appreciate your consideration for this important issue.

Sincerely,

A handwritten signature in blue ink that reads "Susan Ireland".

Susan Ireland, Executive Director